



Reprinted
February 11, 2003

HOUSE BILL No. 1019

DIGEST OF HB 1019 (Updated February 10, 2003 4:55 PM - DI 105)

Citations Affected: IC 5-10; IC 27-8; IC 27-13; noncode.

Synopsis: Insurance coverage for inherited metabolic disease. Requires a state employee health benefit plan, a group accident and sickness insurance policy, and a group health maintenance organization contract to provide coverage for medical food prescribed for treatment of an inherited metabolic disease.

Effective: July 1, 2003.

Frenz, Fry

January 7, 2003, read first time and referred to Committee on Insurance, Corporations and Small Business.
January 27, 2003, amended, reported — Do Pass.
February 10, 2003, read second time, amended, ordered engrossed.

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HB 1019—LS 6216/DI 97+



First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1019

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-10-8-7.4 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]: **Sec. 7.4. (a) As used in this section, "covered individual"**
4 **means an individual who is entitled to coverage under a state**
5 **employee health benefit plan.**

6 **(b) As used in this section, "inherited metabolic disease" means**
7 **a disease:**

8 **(1) caused by inborn errors of amino acid, organic acid, or**
9 **urea cycle metabolism; and**

10 **(2) treatable by the dietary restriction of one (1) or more**
11 **amino acids.**

12 **(c) As used in this section, "medical food" means a formula that**
13 **is:**

14 **(1) intended for the dietary treatment of a disease or condition**
15 **for which nutritional requirements are established by medical**
16 **evaluation; and**

17 **(2) formulated to be consumed or administered enterally**

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under the direction of a physician.

(d) As used in this section, "state employee health benefit plan" refers to:

(1) a self-insurance program established under section 7(b) of this chapter to provide group health coverage; or

(2) a contract for health services with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(e) A state employee health benefit plan must provide coverage for medical food that is prescribed by a covered individual's treating physician for treatment of the covered individual's inherited metabolic disease.

(f) The coverage required under this section shall not be subject to dollar limits, copayments, coinsurance, or deductibles that are less favorable to a covered individual than the dollar limits, copayments, coinsurance, or deductibles that apply to coverage for physical illness generally under the state employee health benefit plan.

SECTION 2. IC 27-8-24.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]:

Chapter 24.1. Coverage for Treatment of Inherited Metabolic Disease

Sec. 1. As used in this chapter, "accident and sickness insurance policy" has the meaning set forth in IC 27-8-5-27(a).

Sec. 2. As used in this chapter, "covered individual" means an individual who is entitled to coverage under an accident and sickness insurance policy.

Sec. 3. As used in this chapter, "inherited metabolic disease" means a disease:

(1) caused by inborn errors of amino acid, organic acid, or urea cycle metabolism; and

(2) treatable by the dietary restriction of one (1) or more amino acids.

Sec. 4. As used in this chapter, "medical food" means a formula that is:

(1) intended for the dietary treatment of a disease or condition for which nutritional requirements are established by medical evaluation; and

(2) formulated to be consumed or administered enterally under the direction of a physician.

Sec. 5. An accident and sickness insurance policy must provide

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1 coverage for medical food that is prescribed by a covered
 2 individual's treating physician for treatment of the covered
 3 individual's inherited metabolic disease.

4 **Sec. 6.** The coverage that is required under this chapter shall not
 5 be subject to dollar limits, coinsurance, or deductibles that are less
 6 favorable to a covered individual than the dollar limits,
 7 coinsurance, or deductibles that apply to coverage for physical
 8 illness generally under the accident and sickness insurance policy.

9 SECTION 3. IC 27-13-7-18 IS ADDED TO THE INDIANA CODE
 10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 11 1, 2003]: **Sec. 18. (a)** As used in this section, "inherited metabolic
 12 disease" means a disease:

13 (1) caused by inborn errors of amino acid, organic acid, or
 14 urea cycle metabolism; and

15 (2) treatable by the dietary restriction of one (1) or more
 16 amino acids.

17 (b) As used in this section, "medical food" means a formula that
 18 is:

19 (1) intended for the dietary treatment of a disease or condition
 20 for which nutritional requirements are established by medical
 21 evaluation; and

22 (2) formulated to be consumed or administered enterally
 23 under the direction of a physician.

24 (c) A group contract with a health maintenance organization
 25 that provides coverage for basic health care services must provide
 26 coverage for medical food that is prescribed by an enrollee's
 27 treating physician for treatment of the enrollee's inherited
 28 metabolic disease.

29 (d) The coverage that is required under this section shall not be
 30 subject to dollar limits, copayments, or deductibles that are less
 31 favorable to an enrollee than the dollar limits, copayments, or
 32 deductibles that apply to coverage for physical illness generally
 33 under the group contract.

34 SECTION 4. [EFFECTIVE JULY 1, 2003] (a) IC 5-10-8-7.4, as
 35 added by this act, applies to a state employee health benefit plan
 36 that is entered into, delivered, established, amended, or renewed
 37 after June 30, 2003.

38 (b) IC 27-8-24.1, as added by this act, applies to an accident and
 39 sickness insurance policy that is issued, delivered, amended, or
 40 renewed after June 30, 2003.

41 (c) IC 27-13-7-18, as added by this act, applies to a health
 42 maintenance organization contract that is entered into, delivered,



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1 **amended, or renewed after June 30, 2003.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1019, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 6, delete ""phenylketonuria treatment"" and insert **""inherited metabolic disease""**.

Page 1, line 6, after "means" insert **"a disease caused by an inherited abnormality of body chemistry."**

Page 1, delete lines 7 through 8.

Page 1, line 9, after "(c)" insert **"As used in this section, "low protein modified food product" means a food product that is:**

(1) specially formulated to contain less than one (1) gram of protein per serving; and

(2) intended to be used under the direction of a physician for dietary treatment of an inherited metabolic disease.

(d) As used in this section, "medical food" means a food that is:

(1) intended for the dietary treatment of a disease or condition for which nutritional requirements are established by medical evaluation; and

(2) formulated to be consumed or administered enterally under the direction of a physician.

(e)".

Page 1, line 16, delete "(d)" and insert **"(f)"**.

Page 1, line 17, delete "phenylketonuria treatment for a covered individual." and insert **"medical food and low protein modified food products that are prescribed by a covered individual's treating physician for treatment of the covered individual's inherited metabolic disease."**

Page 2, line 1, delete "(e)" and insert **"(g)"**.

Page 2, line 10, delete "Phenylketonuria".

Page 2, line 10, after "Treatment" insert **"of Inherited Metabolic Disease"**.

Page 2, line 16, delete ""phenylketonuria treatment"" and insert **""inherited metabolic disease" means a disease caused by an inherited abnormality of body chemistry."**

Page 2, delete lines 17 through 18.

Page 2, line 19, after "4." insert **"As used in this chapter, "low protein modified food product" means a food product that is:**

(1) specially formulated to contain less than one (1) gram of protein per serving; and

(2) intended to be used under the direction of a physician for

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dietary treatment of an inherited metabolic disease.

Sec. 5. As used in this chapter, "medical food" means a food that is:

- (1) intended for the dietary treatment of a disease or condition for which nutritional requirements are established by medical evaluation; and
- (2) formulated to be consumed or administered enterally under the direction of a physician.

Sec. 6."

Page 2, line 20, delete "phenylketonuria treatment for a covered individual." and insert **"medical food and low protein modified food products that are prescribed by a covered individual's treating physician for treatment of the covered individual's inherited metabolic disease."**

Page 2, line 21, delete "Sec. 5." and insert **"Sec. 7."**

Page 2, line 29, delete ""phenylketonuria" and insert **""inherited metabolic disease" means a disease caused by an inherited abnormality of body chemistry."**

Page 2, delete lines 30 through 31.

Page 2, line 32, after "(b)" insert **"As used in this section, "low protein modified food product" means a food product that is:**

- (1) specially formulated to contain less than one (1) gram of protein per serving; and
- (2) intended to be used under the direction of a physician for dietary treatment of an inherited metabolic disease.

(c) As used in this section, "medical food" means a food that is:

- (1) intended for the dietary treatment of a disease or condition for which nutritional requirements are established by medical evaluation; and
- (2) formulated to be consumed or administered enterally under the direction of a physician.

(d)".

Page 2, line 34, delete "phenylketonuria treatment for an enrollee." and insert **"medical food and low protein modified food products that are prescribed by an enrollee's treating physician for treatment of the enrollee's inherited metabolic disease."**

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Page 2, line 35, delete "(c)" and insert "(e)".
and when so amended that said bill do pass.

(Reference is to HB 1019 as introduced.)

FRY, Chair

Committee Vote: yeas 8, nays 5.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1019 be amended to read as follows:

Page 1, line 7, delete "caused by an inherited abnormality of body chemistry." and insert ":

(1) caused by inborn errors of amino acid, organic acid, or urea cycle metabolism; and

(2) treatable by the dietary restriction of one (1) or more amino acids."

Page 1, delete lines 8 through 13.

Page 1, line 14, delete "(d)" and insert "(c)".

Page 1, line 14, delete "a food" and insert "**a formula**".

Page 2, line 3, delete "(e)" and insert "**(d)**".

Page 2, line 10, delete "(f)" and insert "**(e)**".

Page 2, line 11, delete "and low protein modified food products".

Page 2, line 11, delete "are" and insert "**is**".

Page 2, line 14, delete "(g)" and insert "**(f)**".

Page 2, line 31, delete "caused by an inherited abnormality of body" and insert ":

(1) caused by inborn errors of amino acid, organic acid, or urea cycle metabolism; and

(2) treatable by the dietary restriction of one (1) or more amino acids."

Page 2, delete lines 32 through 38.

Page 2, line 39, delete "5." and insert "**4.**".

Page 2, line 39, delete "a food" and insert "**a formula**".

Page 3, line 4, delete "6." and insert "**5.**".

Page 3, line 5, delete "and low protein modified food products".

Page 3, line 6, delete "are" and insert "**is**".

Page 3, line 8, delete "7." and insert "**6.**".

Page 3, line 8, delete "section 4 of".

Page 3, line 17, delete "caused by an inherited abnormality of" and insert ":

(1) caused by inborn errors of amino acid, organic acid, or urea cycle metabolism; and

(2) treatable by the dietary restriction of one (1) or more amino acids."

Page 3, delete lines 18 through 24.

Page 3, line 25, delete "(c)" and insert "**(b)**".

Page 3, line 25, delete "a food" and insert "**a formula**".

Page 3, line 31, delete "(d)" and insert "**(c)**".



Page 3, line 33, delete "and low protein modified food products".

Page 3, line 34, delete "are" and insert "**is**".

Page 3, line 36, delete "(e)" and insert "**(d)**".

(Reference is to HB 1019 as printed January 28, 2003.)

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